

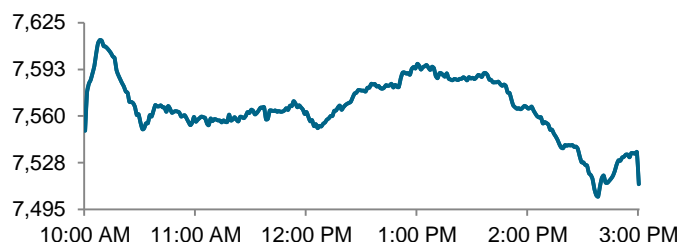
DAILY MARKETS OVERVIEW

25 OCTOBER 2018

السوق السعودي
Saudi Fransi Capital
Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,513	-0.5	-1.8	4.0	15.5
Saudi (NOMU)	2,416	4.6	1.2	-23.1	8.0
Energy	4,764	1.1	1.1	11.3	16.0
Materials	5,291	0.1	-2.4	4.7	16.4
Capital Goods	3,963	1.4	5.0	-8.7	16.9
Com. & Prof. Svc	3,925	0.5	0.0	-6.7	17.2
Transportation	3,390	0.2	-3.1	-15.5	20.2
Cons. Durables & Apparel	3,335	0.9	-1.3	-19.5	NA
Consumer Services	2,934	-0.1	-2.8	-20.4	16.6
Media	10,844	9.4	4.5	40.2	NA
Retailing	5,960	1.1	-0.1	5.8	22.5
Food & Staples Retailing	5,411	0.1	0.5	-3.6	22.2
Food & Beverages	3,835	0.5	0.6	-21.7	25.2
Health Care Equipment	3,402	1.4	-0.1	-23.4	16.6
Pharma, Biotech & Life Science	3,727	0.2	-2.8	-6.1	24.0
Banks	6,780	-1.5	-2.0	23.2	12.1
Diversified Financials	3,191	-0.2	-1.6	-20.8	NA
Insurance	3,618	2.8	0.1	-23.4	29.4
Telecommunication	4,839	-1.5	-1.5	13.8	15.8
Utilities	3,261	-0.5	-6.4	-28.5	NA
REITs	3,568	0.8	-0.1	-23.0	NA
Real Estate	3,218	-0.1	-1.3	-31.5	19.2

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Saudi Industrial Export Co.	134.40	10.0%	3.6
Saudi Company for Hardware	78.30	10.0%	10.8
Allianz Saudi Fransi Cooperative Insurance Co.	23.20	10.0%	2.9
Saudi Enaya Cooperative Insurance Co.	16.82	9.9%	5.5
Aljazira Takaful Taawuni Co.	17.30	9.9%	12.9

Source: Tadawul

Latest Earnings

Company	Date	Period	Q NI (SAR mn)	Y/Y %	Q EPS (SAR)	Vs. Consensus
Saudi Telecom	24-Oct	3Q18	2,643.0	2.9	1.32	BEAT
Al Rajhi Bank	24-Oct	3Q18	2,573.0	13.6	1.58	MISS
The Saudi British Bank	24-Oct	3Q18	1,247.0	15.1	0.83	BEAT
Banque Saudi Fransi	24-Oct	3Q18	1,005.0	0.4	0.83	MISS
Saudi Arabia Fertilizers Co	24-Oct	3Q18	522.2	177.2	1.25	BEAT

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of October 25, 2018
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.5% lower at 7,513 while NOMU ended 4.6% higher at 2,416 on Wednesday. TASI traded value totaled SAR 2.9bn and averaged SAR 3.8bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 43% of the daily traded value.
- Banks declined 1.5% while Materials closed 0.1% higher. Telecom closed 1.5% lower. Media (up 9.4%) was the best performer. Among stocks, Saudi Industrial Export Co. (4140/SIECO AB), Saudi Company for Hardware (4008/SHC AB), and Allianz Saudi Fransi Cooperative Insurance Co. (8040/ALLIANZ AB) led the gainers.
- The Central Department of Statistics and Information revealed the value of KSA's imports plunged 22.8% Y/Y to SAR 33.6bn (USD 8.9bn) in August 2018, while that of its oil exports rose sharply amid higher prices. (Source: Zawya)
- KSA launched the National Industrial Development and Logistics Program (NIDLP). The new program, in line with Saudi Vision 2030, is forecast to help the development of 11 industries. It includes more than 300 initiatives, aiming to increase the share of non-oil exports to 50% of all KSA's exports. (Source: Argam)
- The Ministry of Transport is working with the private sector to develop the right plan for project designs, management, and implementation. The new methods will be applied to the land, air, and marine transport sectors. (Source: Argam)
- Saudi Aramco inked an MoU with the UAE's National Petroleum Construction Company (NPCC) to build a fully integrated fabrication yard and marine base worth SAR 160mn (USD 42.6mn) in Ras Al Khair. (Source: Argam)
- Saudi Aramco's CEO revealed the firm is planning investments in the petrochemical sector, as part of its plan to diversify its portfolio. The firm would allocate 2-3mn barrels per day (mbpd) of its crude oil production to petrochemicals. (Source: Argam)
- Saudi Basic Industries Corp. (2010/SABIC AB) signed two MoUs with Germany's SCHMID and RIWAQ Industrial Development to establish an industrial complex at a total cost of SAR 1.6bn (USD 427mn). (Source: Argam)
- Saudi Telecom Co.'s (7010/STC AB) BoD recommended a cash dividend of SAR 1/share for 3Q18, implying a full year yield of 4.9%. (Source: Argam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Nama Chemicals Co.	24.20	-4.0%	6.8
Samba Financial Group	30.00	-2.6%	62.9
Saudi Ceramic Co.	20.50	-2.4%	5.9
Al Rajhi Bank	83.90	-2.3%	342.0
National Industrialization Co.	16.90	-2.3%	93.3

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Al Rajhi Bank	83.90	-2.3%	342
Saudi Basic Industries Corp.	122.00	-1.0%	332
Alinma Bank	20.50	-0.4%	270
Saudi Kayan Petrochemical Co.	14.28	-1.7%	200
Dar Alarkan Real Estate Development Co.	9.01	0.0%	119

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,738	-0.5	-0.7	-18.8	7.3
Abu Dhabi (ADX)	4,926	-0.9	-1.3	12.0	13.0
Kuwait (KSE)	5,161	0.5	0.4	0.7	16.0
Qatar (QE)	10,153	-1.1	-0.4	19.1	15.0
Oman (MSM)	4,463	0.1	0.4	-12.5	10.2
Bahrain (BSE)	1,316	-0.4	-0.5	-1.2	8.8
DJMENA Index	547	-0.6	-1.0	3.9	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,656	-3.1	-4.0	-0.7	19.7
US (NASDAQ 100)	7,108	-4.4	-4.6	3.0	21.6
UK (FTSE 100)	6,963	0.1	-1.2	-9.4	15.5
Germany (DAX)	11,192	-0.7	-3.1	-13.4	13.3
France (CAC 40)	4,953	-0.3	-2.6	-6.8	15.8
Russia (MICEX)	2,336	1.3	-0.4	10.7	6.2
Japan (Nikkei)	22,091	0.4	-2.0	-3.0	15.9
Hong Kong (HSI)	25,250	-0.4	-1.2	-15.6	9.6
South Korea (KOSPI)	2,098	-0.4	-2.7	-15.0	10.1
China (SHCOMP)	2,603	0.3	2.1	-21.3	12.2
India (NIFTY)	10,225	0.8	-0.8	-2.9	20.8
Brazil (IBOV)	83,064	-2.6	-1.4	8.7	NA
Turkey (BIST 100)	92,692	-0.8	-3.9	-19.6	7.1
Egypt (EGX30)	13,246	-2.5	-2.9	-11.8	12.5
MSCI Emerging Markets	953	-0.8	-1.9	-17.7	11.5
MSCI World	1,989	-2.2	-3.6	-5.5	16.9

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	76.2	-0.4	-4.5	13.9	30.6
Natural Gas (\$/mmbtu)	3.2	-1.4	-2.6	12.8	2.9
Gold (\$/oz)	1,234	0.3	0.6	-5.5	-3.4
Silver (\$/oz)	14.7	-0.3	0.7	-13.9	-13.0
Platinum (\$/oz)	830	-0.3	-0.1	-10.8	-10.1
Copper (\$/t)	6,188	-0.1	-0.6	-14.1	-11.7
Zinc (\$/t)	2,710	-0.4	1.3	-18.8	-16.5
Lead (\$/mt)	2,004	0.4	1.9	-19.7	-20.0
Wheat (\$/bu)	500	-1.9	-3.0	7.2	-3.2
Corn (\$/bu)	368	-0.5	0.3	-4.1	-7.5
Sugar (\$/lb)	14.0	1.4	0.9	-7.9	-8.3

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.49	0.00	0.80	0.00
Saudi Arabia	2.74	0.00	0.85	0.25
UAE	2.66	-0.01	0.86	0.17
Kuwait	2.06	0.00	0.19	-0.43
Qatar	2.80	-0.02	0.16	0.31
Bahrain	3.70	0.00	0.98	1.21

Source: Reuters

NOTES: (1) Prices updated as of October 25, 2018 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended in the red on Wednesday. S&P 500 and NASDAQ declined 3.1% and 4.4%, respectively. Dow Jones Industrial closed 2.4% lower. In Europe, the UK gained 0.1% while Germany and France closed 0.7% and 0.3% lower, respectively.
- Asian markets are trading in the red on Thursday. China is trading 1.4% lower. Japan and South Korea are down 3.2% and 2.0%, respectively. Hong Kong and India are trading 1.8% and 0.9% lower, respectively.
- GCC markets ended mixed on Wednesday. Dubai and Abu Dhabi closed 0.5% and 0.9% lower, respectively. Kuwait gained 0.5% while Qatar declined 1.1%. Oman gained 0.1% while Bahrain ended 0.4% lower.
- According to the US EIA Petroleum status report, crude oil inventories were up by 6.3mn barrels (prior 6.5mn barrels) for the week ended October 19. (Source: Econoday)
- US New Home Sales for the month of September 2018 stood at 553K (prior: 585K; consensus: 625K). (Source: Econoday)
- Oman's central bank raised OMR 41mn (USD 106mn) by way of allotting Treasury bills on Tuesday. The Treasury bills have a maturity period of 91 days, from October 24 until January 23, 2019. (Source: GulfBase)
- The Sharjah Economic Development Department (SEDD) announced the issuance and renewal of 14,140 business licenses, reporting growth of 20% in the third quarter of 2018 compared to 2017. (Source: Zawya)
- Oman started the construction work for its Barka Marina project, an 11.5-hectare development valued at OMR 50mn (USD 130mn). Stages 1 and 2 of the project will open by 2021, with the third phase due to be ready in 2022. (Source: Arabian Business)
- Bahrain is set to issue tenders next week for consultancy services to manage the transition phase of the USD 4.0bn (BHD 1.5bn) King Hamad Causeway, a 25-km-long strategic artery linking the country with KSA. (Source: Trade Arabia)
- Dubai Electricity and Water Authority (DEWA) announced the completion of the second phase of its initiative to install an additional 100 EV Green Charger stations across Dubai. With the completion of the project, the total number of charging stations in Dubai has doubled from 100 to 200. (Source: Arabian Business)
- Dubai's Arabtec Holding (ARTC UH) announced that its wholly owned subsidiary, Arabtec Construction, has been awarded two contracts worth a total of AED 610mn (USD 166mn) for major projects in Dubai. (Source: Arabian Business)
- Oman's Galfar Engineering & Contracting Company stated it has secured engineering, procurement, and construction (EPC) works worth USD 50.6mn (OMR 19.5mn) at Duqm Refinery in the country. (Source: Trade Arabia)

Coming Up

- US jobless claims for the week ended October 20 (prior: 210K; consensus: 212K) will be announced today. (Source: Econoday)
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended October 26 (prior: 6.3mn barrels) will be announced on October 31. (Source: Econoday)
- China's Manufacturing PMI for the month of October 2018 (prior: 50.0) will be announced on October 31. (Source: Econoday)



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